

Tenneco Minerals
A Tenneco Company

12136 W. Bayaud Ave.
P.O. Box 281300
Lakewood, Colorado 80228
(303) 987-6200

M/053/005



January 16, 1991

Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

RECEIVED
JAN 17 1991

DIVISION OF
OIL, GAS & MINING

Attention: Dianne R. Nielson, Ph.D.
Division Director

RE: Revised Reclamation Surety Bond
Goldstrike Mine

Dear Dr. Nielson:

Enclosed please find a revised Reclamation Surety Bond in the amount of \$1.2 million dollars, for the benefit of the State of Utah, Division of Oil, Gas and Mining and the U.S. Department of Interior, Bureau of Land Management. This new bond covers a total disturbed area of 250 acres as identified in Tenneco Minerals' October 5, 1990, revised Notice of Intent to the Division.

If you have any questions on the enclosed, please call me at (303) 987-6256.

Sincerely,

TENNECO MINERALS COMPANY

A handwritten signature in cursive script that reads "Debra A. Brannum".

Debra A. Brannum
Division Environmental Specialist

DAB/bw

Enclosure

cc: D. R. Delling
R. L. Johnson
R. E. Scheffel
K. Kluksdahl

FORM MR-RC
Revised May 30, 1990
RECLAMATION CONTRACT

File Number M/053/005

Effective Date _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)
(Mineral Mined)

M/053/005GOLD

"MINE LOCATION":

(Name of Mine)
(Description)

GOLDSTRIKET.39S., R.18W., SEC. 16, 17, 20, 21

"DISTURBED AREA":

(Disturbed Acres)
(Legal Description)

250 ACRES(refer to Attachment "A")

"OPERATOR":

(Company or Name)
(Address)

TENNECO MINERALS COMPANY - UTAHP.O. BOX 2650ST. GEORGE, UTAH 84770

(Phone)

(801) 574-3164

"OPERATOR'S REGISTERED AGENT":

(Name)
(Address)

KEN A. KLUKSDAHL

MINE MANAGER
P.O. BOX 2650
ST. GEORGE, UTAH 84770

(Phone)

(801) 574-3164

"OPERATOR'S OFFICER(S)":

DAVID R. DELLING

"SURETY":

(Form of Surety - Exhibit B)

CORPORATE SURETY

"SURETY COMPANY":

(Name, Policy or Acct. No.)

AETNA CASUALTY AND SURETY

"SURETY AMOUNT":

(Escalated Dollars)

\$1,200,000

"ESCALATION YEAR":

1996

"STATE":

UTAH

"DIVISION":

DIVISION OF OIL, GAS AND MINING

"BOARD":

BOARD OF OIL, GAS AND MINING

EXHIBITS:

A "DISTURBED AREA":
B "SURETY":

Revision Dates:

Note:

This Reclamation Contract agreement and replacement surety bond, effectively replaces the original reclamation surety bond (MR Form 5), approved by the Board of Oil, Gas and Mining on August 25, 1988.

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Operator and the Board.

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/053/005 which has been approved by the Division under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim the Disturbed Area in accordance with Operator's approved Reclamation Plan and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board, which surety is in the form of the surety attached hereto as Exhibit B and made a part hereof. The surety shall remain in full force and effect according to its terms unless modified by the Board in writing. If the surety contract expressly provides for cancellation, then, not less than 30 days, prior to the expiration date of the surety, the Operator shall provide a replacement surety in a form and amount acceptable to the Board. If the Operator fails to so provide an acceptable replacement surety, the Division may order the Operator to cease further mining activities and to begin reclamation of the site. In addition, if the Operator fails to so provide an acceptable replacement surety, the Division may call or draw upon the full amount of existing surety prior to cancellation or expiration.
3. Operator agrees to pay public liability and property damage claims resulting from mining as determined by the Board or the Division, to the extent provided in the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, and the Reclamation Plan.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention and the Reclamation Plan.
6. Operator agrees to indemnify and hold harmless the State, Board and Division from any claim, demand, liability, cost charge, suit, or obligation of whatsoever nature arising from the failure to Operator or Operator's agents, and employees, or contractor to comply with this Contract.
7. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.

8. This Contract shall be governed and construed in accordance with the laws of the State.
9. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including attorneys fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
10. Any breach of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety, or take such other action as is authorized by law.
11. In the event of forfeiture of the Surety, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
12. This Contract represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
13. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this _____ day of _____ 19 _____.

APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY _____
Chairman, Board of Oil, Gas and Mining

DIVISION OF OIL, GAS AND MINING:

By _____
Director

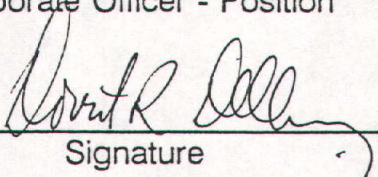
Date _____

SignatureSTATE OF _____)
COUNTY OF _____) ss:

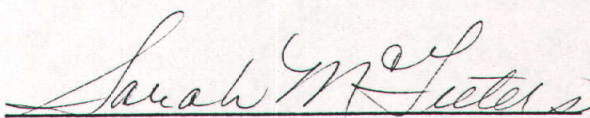
On the _____ day of _____, 19 _____, personally appeared before me, who being duly sworn did say that he/she, the said _____ is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledge to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.

Notary Public
Residing at: __________
My Commission Expires:

OPERATOR:

Operator Name: TENNECO MINERALS COMPANY - UTAHBy David R. Delling, President
Corporate Officer - PositionJANUARY 11, 1991
Date
SignatureSTATE OF COLORADO)
COUNTY OF JEFFERSON) ss:

On the 11th day of JANUARY, 19 91, personally
appeared before me DAVID R. DELLING who being
by me duly sworn did say that he/she, the said DAVID R. DELLING
is the PRESIDENT of TENNECO MINERALS COMPANY - UT
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
DAVID R. DELLING duly acknowledged to me that said
company executed the same.


Notary Public
Residing at: WAKEWOOD CO 80228

AUGUST 17, 1993
My Commission Expires:

SURETY:

NOTE: Surety signature not required here. Surety has signed Surety Bond, MR Form 6, Exhibit B (attached).

Surety Company

By. _____
Company Officer - Position

Date

Signature

STATE OF _____)
COUNTY OF _____) ss:

On the _____ day of _____, 19 _____, personally
appeared before me _____ who being
by me duly sworn did say that he/she, the said _____
is the _____ of _____
and duly acknowledged that said instrument was signed on behalf of said company by
authority of its bylaws or a resolution of its board of directors and said
_____ duly acknowledged to me that said
company executed the same.

Notary Public

Residing at: _____

My Commission Expires:

NOTE: An affidavit of Qualification must be completed and attached to this form for each authorized agent or officer. Where one signs by virtue of Power of Attorney for a company, such Power of Attorney must be filed with this Contract.

Attachment "A"

(detailed legal description)

The disturbed area for the Tenneco Goldstrike Mine consists of roads, mine pits, mine dumps, drainage control facilities, mineral processing facilities, and administrative/support facilities totalling 250 acres, more or less, and located in portions of:

all of the southwest quarter of Section 16, the southeast quarter of the southeast quarter and the southwest quarter of the southeast quarter of Section 17, all of the northeast quarter of Section 20, all of the northwest quarter and the northwest quarter of the northeast quarter of Section 21, all in Township 39 South, Range 18 West, SLBM, Washington County, Utah.

EXHIBIT B

MR FORM 6
Joint Agency Bonding Form

(December 1990)
(Noncoal)

Bond Number _____
Permit Number M/053/005
Mine Name GOLDSTRIKE

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

THE MINED LAND RECLAMATION ACT

SURETY BOND

The undersigned TENNECO MINERALS COMPANY - UTAH as Principal,
and AETNA CASUALTY AND SURETY as Surety, hereby jointly and severally
bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of
Utah, Division of Oil, Gas and Mining, and U.S. DEPARTMENT OF INTERIOR, BLM
in the penal sum of ONE MILLION TWO HUNDRED THOUSAND dollars (\$ 1,200,000).

Principal has estimated in the Mining and Reclamation Plan approved by the
Division of Oil, Gas and Mining on the _____ day of _____, 19____, that 250 acres m/l
acres of land will be disturbed by this mining operation in the State of Utah.

A description of the disturbed land is attached hereto as Exhibit "A".

The condition of this obligation is that if the Division determines that Principal has
satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and
Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation
Act, and complied with the Rules and Regulations adopted in accordance therewith, then this
obligation shall be void; otherwise it shall remain in full force and effect.

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MR-6
Joint Agency Surety Bond
Exhibit B

If the Mining and Reclamation Plan provides for periodic partial reclamation of the disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by the Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal to be performed prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

Dated this _____ day of _____, 19____.

State of Utah
Board of Oil, Gas and Mining

Gregory P. Williams, Chairman

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MR-6
Joint Agency Surety Bond
Exhibit B

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

Date: 1-11-91

TENNECO MINERALS COMPANY - UTAH
Principal (Permittee)

By (Name typed): DAVID R. DELLING

Title: PRESIDENT

Signature: *David R. Dellling* *MLK*

Date: January 16, 1991

THE AETNA CASUALTY AND SURETY COMPANY
Surety

By: (Name Typed) DAVID D. HANKINS

Title: ATTORNEY-IN-FACT

Signature: *David D. Hankins*

APPROVED AS TO FORM:

By _____
Assistant Attorney General

*NOTE: Where one signs by virtue of Power of Attorney for a Surety Company, such Power of Attorney must be filed with this bond. If the Principal is a corporation, the bond shall be executed by its duly authorized officer.

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MR-6
Joint Agency Surety Bond
Exhibit B

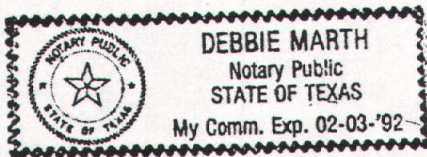
AFFIDAVIT OF QUALIFICATION

DAVID D. HANKINS, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) AGENT of said Surety, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

Signed: David D. Hankins
Surety Officer

Title: ATTORNEY-IN-FACT

Subscribed and sworn to before me this 16th day of January, 19 91.



Debbie Marth
Notary Public

My Commission Expires:

February 3, 1992.

jb
MNMR-6



THE AETNA CASUALTY AND SURETY COMPANY
Hartford, Connecticut 06156

Bond No. _____

POWER OF ATTORNEY AND CERTIFICATE OF AUTHORITY OF ATTORNEY(S)-IN-FACT

KNOW ALL MEN BY THESE PRESENTS, THAT THE AETNA CASUALTY AND SURETY COMPANY, a corporation duly organized under the laws of the State of Connecticut, and having its principal office in the City of Hartford, County of Hartford, State of Connecticut, hath made, constituted and appointed, and does by these presents make, constitute and appoint **Robert J. Harper, Willa R. White or David D. Hankins - -**

of **Houston, Texas**, its true and lawful Attorney(s)-in-Fact, with full power and authority hereby conferred to sign, execute and acknowledge, at any place within the United States, or, if the following line be filled in, within the area there designated, the following instrument(s):
by his/her sole signature and act, any and all bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any and all consents incidents thereto **for all obligees on behalf of Tenneco Inc. and all affiliated or subsidiary companies, where the amount does not exceed the sum of TEN MILLION (\$10,000,000.00) DOLLARS -**

and to bind THE AETNA CASUALTY AND SURETY COMPANY, thereby as fully and to the same extent as if the same were signed by the duly authorized officers of THE AETNA CASUALTY AND SURETY COMPANY, and all the acts of said Attorney(s)-in-Fact, pursuant to the authority herein given, are hereby ratified and confirmed.

This appointment is made under and by authority of the following Standing Resolutions of said Company which Resolutions are now in full force and effect:

VOTED: That each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, may from time to time appoint Resident Vice Presidents, Resident Assistant Secretaries, Attorneys-in-Fact, and Agents to act for and on behalf of the Company and may give any such appointee such authority as his certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors may at any time remove any such appointee and revoke the power and authority given him.

VOTED: That any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the Chairman, the Vice Chairman, the President, an Executive Vice President, a Senior Vice President, a Vice President, an Assistant Vice President or by a Resident Vice President, pursuant to the power prescribed in the certificate of authority of such Resident Vice President, and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary or by a Resident Assistant Secretary, pursuant to the power prescribed in the certificate of authority of such Resident Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact pursuant to the power prescribed in his or their certificate or certificates of authority.

This Power of Attorney and Certificate of Authority is signed and sealed by facsimile under and by authority of the following Standing Resolution voted by the Board of Directors of THE AETNA CASUALTY AND SURETY COMPANY which Resolution is now in full force and effect:

VOTED: That the signature of each of the following officers: Chairman, Vice Chairman, President, Any Executive Vice President, Any Senior Vice President, Any Vice President, Any Assistant Vice President, Any Secretary, Any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such power of attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached.

IN WITNESS WHEREOF, THE AETNA CASUALTY AND SURETY COMPANY has caused this instrument to be signed by its **Senior Vice President** and its corporate seal to be hereto affixed this **1st** day of **November** 19 **90**

State of Connecticut }
County of Hartford } ss. Hartford



THE AETNA CASUALTY AND SURETY COMPANY

By Joseph P. Kiernan
Joseph P. Kiernan
Senior Vice President

On this **1st** day of **November**, 19 **90**, before me personally came **JOSEPH P. KIERNAN** of **Senior Vice President** to me known, who, being by me duly sworn, did depose and say: that he/she is **Senior Vice President** of **THE AETNA CASUALTY AND SURETY COMPANY**, the corporation described in and which executed the above instrument; that he/she knows the seal of said corporation; that the seal affixed to the said instrument is such corporate seal; and that he/she executed the said instrument on behalf of the corporation by authority of his/her office under the Standing Resolutions thereof.



By Dorothy L. Marti
My commission expires **March 31, 19 93** Notary Public
Dorothy L. Marti

CERTIFICATE

I, the undersigned, **Secretary** of THE AETNA CASUALTY AND SURETY COMPANY, a stock corporation of the State of Connecticut, DO HEREBY CERTIFY that the foregoing and attached Power of Attorney and Certificate of Authority remains in full force and has not been revoked; and furthermore, that the Standing Resolutions of the Board of Directors, as set forth in the Certificate of Authority, are now in force.

Signed and Sealed at the Home Office of the Company, in the City of Hartford, State of Connecticut. Dated this **16th** day of **January** 19 **91**



By John W. Welch
John W. Welch
Secretary

EXHIBIT "A"

TENNECO MINERALS COMPANY - UTAH
Operator

M/053/005
Permit Number

GOLDSTRIKE
Mine Name
WASHINGTON County, Utah

The lands to be disturbed are described as follows:

Roads, mine pits, mine dumps, drainage control facilities, mineral processing facilities, and administrative/support facilities totalling 250 acres, more or less, and located in portions of:

all of the southwest quarter of Section 16, the southeast quarter of the southeast quarter and the southwest quarter of the southeast quarter of Section 17, all of the northeast quarter of Section 20, all of the northwest quarter and the northwest quarter of the northeast quarter of Section 21, all in Township 39 South, Range 18 West, SLBM, Washington County, Utah.